

U. S. TREASURY DEPARTMENT
Internal Revenue Service
Washington 25, D. C.

October 20, 1954

Alcohol and Tobacco Tax Division
Industry Circular No. 54-7

Instructions Relative to Inventories by
Manufacturers of Tobacco, Snuff, Cigars,
and Cigarettes as of January 1, 1955

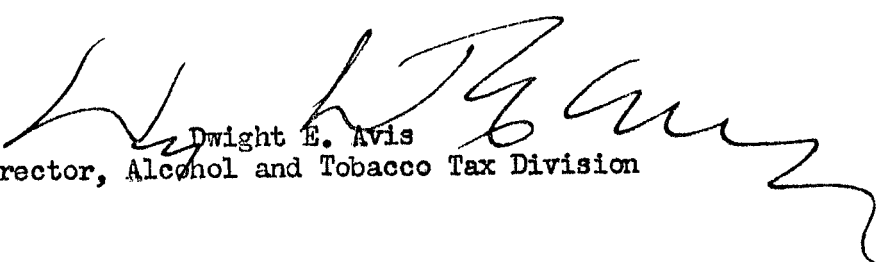
Manufacturers of tobacco, snuff,
cigars, and cigarettes:

1. Chapter 52 of the Internal Revenue Code of 1954, relating to tobacco, cigars, cigarettes, and cigarette papers and tubes, will become effective on January 1, 1955. Under the provisions of Section 5721 of the Code, every manufacturer of tobacco, cigars, and cigarettes is required to make a true and accurate inventory at the time of commencing business, at the time of concluding business, and at such other times, in such manner and form, and to include such items, as the Secretary or his delegate shall by regulations prescribe. However, Sections 2017 and 2036 of the Internal Revenue Code of 1939, and Articles 40 and 69 of existing Regulations 8, require an annual inventory to be made by every manufacturer of tobacco, snuff, cigars, and cigarettes.

2. The purpose of this industry circular is to advise you that all manufacturers of tobacco, snuff, cigars, and cigarettes shall make inventory, Form 70-A or 70-B, as the case may be, of all tobacco materials, tobacco products, and tax stamps, held at the close of business on December 31, 1954, under authority of the Internal Revenue Code of 1939 and existing regulations as indicated above, in order to complete the accounting and audit functions for the calendar year 1954.

3. The inventory so made shall be held at your factory for verification by a revenue officer.

4. Inquiries concerning this industry circular should refer to the number thereof and to the symbols O:AT:TP.


Dwight E. Avis
Director, Alcohol and Tobacco Tax Division

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